STAND. COM. REP. NO. 2624

Honolulu, Hawaii

FEB 2 8 2014

RE:

S.B. No. 2324

S.D. 2

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2324, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRIC VEHICLES,"

begs leave to report as follows:

The purpose and intent of this measure is to establish an annual electric vehicle user fee to help fund the repair and maintenance of state and county roadways.

Your Committee received written comments in support of this measure from the Department of Transportation. The City and County of Honolulu Department of Customer Services submitted written comments in opposition to this measure. The Department of Business, Economic Development, and Tourism; Tax Foundation of Hawaii; and the Alliance of Automobile Manufacturers submitted written comments.

Your Committee finds that fuel taxes are one of the main sources of funding for the repair and maintenance of public roads. A typical gasoline fueled vehicle owner pays approximately \$140 in state and county fuel taxes annually. While owners of electric vehicles also use the roads, they do not purchase gasoline or diesel fuel and, consequently, pay less taxes to repair and maintain public roads. Your Committee finds that imposing an annual electric vehicle user fee and depositing those moneys into the state highway fund will allocate a portion of roadway repair and maintenance costs to electric vehicle owners.

Your Committee has amended this measure by:

- (1) Inserting a new section that amends section 248-8, Hawaii Revised Statutes, to authorize the state highway fund to accept deposits of electric vehicle user fees;
- (2) Changing the amount of the electric vehicle user fee to an unspecified amount;
- (3) Changing the effective date to July 1, 2050, to encourage further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2324, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2324, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

Acriel y le DAVID Y. IGE, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Dat	Date:		
5B 2324, SDI	TIA/PSM, WAM 2-25-14					
The committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (WR)	Nay	Excused	
IGE, David Y. (C)		V				
KIDANI, Michelle N. (VC)		V		ar j		
CHUN OAKLAND, Suzanne		V				
DELA CRUZ, Donovan M.					1	
ENGLISH, J. Kalani		V				
ESPERO, Will		V				
KAHELE, Gilbert					•	
KEITH-AGARAN, Gilbert S.C.		V				
KOUCHI, Ronald D.		V			•	
RUDERMAN, Russell E.			V			
THIELEN, Laura H.						
TOKUDA, Jill N.						
SLOM, Sam		λ.		V		
		10	1			
Recommendation: Adopted Not Adopted						
Chair's or Designee's Signature:						
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy						

*Only one measure per Record of Votes